

City of Franklin Addendum No. 2 to

Purchasing Office Solicitation No.: 2012-021

1. Solicitation identified: This Addendum No. 2 applies to the following procurement:
bad debt collection services
Purchasing Office Solicitation No.: 2012-021
2. Notice to Proposers publication date: **February 9, 2012**
3. Solicitation release date: **February 9, 2012**
4. Addendum No. 1 release date: **February 16, 2012**
5. Optional Pre-Submittal Conference: **February 23, 2012, 2:00 p.m. Central Time, City Hall Board Room City Hall Court Room**
6. Addendum No. 2 release date: **February 27, 2012**
7. Deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation: **March 1, 2012, 2:00 p.m. Central Time**
8. Proposals submittal deadline and opening: **March 15, 2012, 2:00 p.m. Central Time**
9. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **April 20, 2012**
10. Tentative date of award: Meeting of Board of Mayor and Aldermen at which is tentatively scheduled to be awarded the selection of the proposal that best meets the needs of the City: **May 8, 2012**
11. Addendum:

In reference to the City of Franklin's February 9, 2012 Purchasing Office Solicitation No. 2012-021 for the supply and delivery of bad debt collection services, the City has now conducted the February 23, 2012 optional pre-submittal conference. The purpose of this Addendum No. 2 is to provide to all vendors who are known or thought to be interested in responding to the referenced solicitation a summary of that conference.

Please note that the submittal deadline and scheduled opening of all proposals received remains unchanged and is:

March 15, 2012, 2:00 p.m. Central Time.

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Below is a summary of the February 23, 2012 optional pre-submittal conference:

City of Franklin Purchasing Manager Brian Wilcox welcomed those in attendance and thanked them for their interest in this opportunity to do business with the City.

Mr. Wilcox asked that all present introduce themselves:

- City staff: Assistant City Recorder and City Court Clerk Steve Sims, Interim Assistant City Recorder Clay Matthews, Purchasing Technician Tiffany Wilkins and Purchasing Manager Brian Wilcox.
- Vendor representatives: Jeff McGuire of Windham Professionals, Jack Abernathy of Automated Collection Services, Inc., and Bill Fitzgerald of Fox Collection Center.

Mr. Wilcox reviewed the following aspects of the procurement solicitation:

- Procurement schedule (see above, sections 2-10).
- Term of service (see Request for Proposals, subsection 12.1.4).
- Component documents to the procurement solicitation (see Instructions for Proposers, section 2).
- List of required proposal submittal contents (see Instructions for Proposers, sections 10 and 11).
- Delivery instructions (see Instructions for Proposers, section 9).
- List of other documents to be required of successful proposer (see Instructions for Proposers, section 15).
- Addendum No. 1 was issued on February 16, 2012 and is now accessible from the City's webpage for procurement solicitations facilitated by the City's Purchasing Office (<http://www.franklintn.gov/index.aspx?page=561>).
- Any additional addenda would be made accessible from the same webpage.

Mr. Wilcox asked if those present had any questions. Discussion ensued. Below is a summary of the topics discussed. The summary below may be considered as official clarification of the City's request for proposals. Please note, however, that the City respectfully requests that the vendor representatives present at the February 23, 2012 optional pre-submittal conference consider the oral responses made by City representatives at that time to be informal and unofficial. Any questions the vendor representatives wish to have answered as official clarification of the City's request for proposals should be submitted in writing (prior to the deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation).

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- Collection fees: Arrangement with current service provider is a flat fee. Proposers are requested to describe in their submitted proposal the collection fee schedule and basis that they would recommend for each City revenue stream (e.g., utilities fees, court fees/fines, NSF instruments, permits/licenses). Proposers are invited to offer alternative collection fee schedules for each City revenue stream.
- Minimum value thresholds: Proposers are requested to describe in their submitted proposal the threshold for the minimum amount due per obligation that they would recommend for each City revenue stream transferred from the City.
- Statute of limitations: Proposers are to assume (1) that the amounts of bad debt as described in the request for proposals are within the statute of limitations, and (2) that the City would not transfer to the selected collections agent any debt beyond the statute of limitations.
- Aging portfolio: Proposers are requested to describe in their submitted proposal the recommended maximum length of time they would hold the portfolio transferred by the City to the selected collections agent for each City revenue stream. During this interval, the City would expect that collection efforts would continue to be expended by the proposer and that fees for this service would be due. Once collections efforts have been exhausted, the City would expect that the account would be declared as uncollectable and would be returned to the City annotated as such. The City would expect that most obligors will pay the agent directly but may pay the City directly in which case the City would pay the agent the agent's fee in accordance with any contract made pursuant to this solicitation.
- Business practices: The City holds returning utility customers liable for unsatisfied and outstanding obligations due, and requires that those obligations are satisfied prior to obtaining utility service again. In such cases, payments are typically collected at the time of signup and a fee would be due the collections agent in accordance with any contract made pursuant to this solicitation.
- Portfolio data transfer: The City would expect and intends to transfer portfolio data to and from the selected collections agent by electronic medium of some sort mutually acceptable to both the City and the selected collections agent. The frequency of the portfolio data transfer would be revenue-stream-specific (e.g., monthly for utilities accounts receivable; NSFs as needed).
- NSF checks: The City would be willing, upon request, to provide a scanned copy of both the front and back of any NSF checks transferred to the selected collections agent. Bank fees charged to the City for NSF checks would be added by the City to the amount of the check for the purposes of determining the amount owed the City.

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12. Acknowledge receipt of addendum: Proposers shall acknowledge receipt of this addendum on the Proposal Submittal Form in the space to the right of the text on that form that reads, "Receipt acknowledged of any and all issued addenda to this solicitation."
13. Questions, requests for clarifications, and requests to revise the procurement solicitation; addenda: To ask questions, to request clarifications about any aspect of this procurement solicitation, or to request revisions to the procurement solicitation prior to the deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of the procurement solicitation, please contact:

City of Franklin Purchasing Office
Franklin City Hall, Suite 107
109 3rd Ave. South
Franklin, TN 37064
purchasing@franklinton.gov
Tel: 615/550-6692
Fax: 615/550-0079

Depending upon the inquiry, the City may request that the question, request for clarification, or request for revision be submitted in writing, whereupon the City may make all vendors known or thought to be interested in the solicitation aware of the inquiry and of the City's response thereto.

14. Communication with City during procurement phase: Any questions about either the content of or the procurement process pertaining to this procurement solicitation should be addressed as described above. Until the procurement award has been made, vendors shall not communicate about either the content of or the procurement process pertaining to this procurement solicitation with any official, employee or other representative of the City except through the City's Purchasing Office. The City reserves the right to disqualify any vendor that initiates unauthorized communication with the City during the procurement phase.